

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the
Commission's Future Energy Efficiency Policies,
Administration, and Programs.

Rulemaking 01-08-028
(Filed August 23, 2001)

**ASSIGNED COMMISSIONER'S RULING SOLICITING
COMMENTS ON REPORTING REQUIREMENTS**

1. Summary

The purpose of this ruling is to solicit written comments on reporting requirements for program year (PY) 2006 and beyond. The investor-owned utility (IOU) program administrators and interested parties should comment on the reporting requirement proposals referenced herein, as well as on the process for finalizing these requirements.¹ Concurrent comments are due by December 30, 2005. I delegate to assigned Administrative Law Judge (ALJ) Gottstein the responsibility of resolving these issues by utilizing formal and/or informal procedural vehicles as needed, pursuant to the authority established in Rule XI of the Policy Rules.²

¹ "IOU program administrators" refers collectively to Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Edison Company and Southern California Gas Company.

² All references to the Policy Rules in this ruling are to Attachment 3 of Decision (D.) 05-04-051.

2. Background

As discussed in D.05-01-055, the Commission seeks to establish reporting requirements that are applicable to the new framework for energy efficiency, as established by the Energy Action Plan, the Commission's savings goals (D.04-09-060), policy rules (D.05-04-051) and administrative structure (D.05-01-055) for 2006 and beyond. To that end, the Commission directed that current reporting requirement formats be reviewed and updated to ensure that they can be used "to track savings, cost-effectiveness results and to support our resource planning and goal setting activities."³

In the workshops that led to our policy rules, parties recommended that the current reporting requirements be carefully reviewed to ensure that the frequency of reports, amount of data and format provide information that is useful to the IOU program administrators and Energy Division for their respective administrative functions, but not overly onerous to program implementers.⁴ The Commission responded as follows:

"We share this concern, not only for the program implementers but for the IOU program administrators as well. In consultation with the Assigned Commissioner and ALJ, Energy Division should develop program-specific, portfolio-level and financial reporting requirements for PY 2006 and beyond that are responsive to these concerns. To this end, Energy Division is already planning to thoroughly review the frequency and amount of data provided monthly to it under the current reporting requirements, with input from the IOUs, interested stakeholders and the public."⁵

³ D.05-01-055, mimeo., p. 124.

⁴ D.05-04-051, mimeo., p. 28.

⁵ *Ibid.*, p. 29.

Energy Division held a two-day workshop on October 5 and 6, 2005 on the issue of energy efficiency reporting requirements. On September 29, 2005, Energy Division circulated its consultant's report on an evaluation reporting protocol designed to identify the information that program and portfolio administrators will need to have readily available to support the program and portfolio evaluation efforts. This report is entitled: *2005 California Energy Efficiency Draft Reporting Evaluation Protocol*, and was prepared for Energy Division by The TecMarket Works Team on September 20, 2005. It will be posted shortly on the Commission's website at:

<http://www.cpuc.ca.gov/static/energy/electric/energy+efficiency/rulemaking/>.

In particular, the consultant's report presented table formats for displaying data to verify the gross and net energy savings and demand reductions achieved by the energy efficiency investments, over the life of the measures. It also included a reporting format for measure level results that could be normalized to be consistent with the Database for Energy Efficiency Resources. This report was the focus of the first day of workshops.

Also on the first day of workshops (October 5, 2005), Energy Division circulated the materials to be discussed on the second day (October 6, 2005). These materials included Energy Division staffs' proposed reporting requirements for financial information (e.g., program expenditures and reported cost categories), portfolio and program achievements (savings metrics, measure installations, etc.), narrative reports, among others. These requirements outlined the frequency of filings (monthly, quarterly), reporting terms and definitions, as well as presented a proposed classification system to group programs and categorize each installed measure to an end use category.

At the close of the two-day workshop, Energy Division asked participants to send additional comments directly to staff regarding the reporting requirements discussed at workshops. On October 26, 2005, the IOU program administrators notified Energy Division and workshop participants that they would be responding via a joint proposal on regulatory content and timing for reporting requirements. On December 2, 2005, the IOU program administrators submitted their proposal for a quarterly report of expenditures and savings, along with a proposal for annual audits. This document was served on the service list to this proceeding and Application (A.) 05-06-004 et al.

Since the workshops, Energy Division has refined its proposed reporting requirements in response to workshop and post-workshop comments. That document will be posted shortly on the Commission's website at <http://www.cpuc.ca.gov/static/energy/electric/energy+efficiency/rulemaking/>.

3. Request For Comments

Given the priority that the Commission has placed on thoroughly reviewing existing reporting requirements in the context of its goals and policies for energy efficiency, and the relatively little time that program administrators, implementers and interested parties have had to review the proposals, I believe that further input is needed to finalize the reporting requirements for post-2005. Rule X.2 states that Energy Division should design the reporting requirements "in consultation with the Assigned Commissioner and ALJ." My office and ALJ Gottstein have concluded that such consultation is not possible without further public input.

Accordingly, I am soliciting written comments on the proposed reporting requirements documents referenced above: (1) *The 2005 California Energy Efficiency Draft Reporting Evaluation Protocol*, prepared by TecMarket Works,

(2) Energy Division's revised 2006-2008 Reporting Requirements document, and (3) the December 2, 2005 joint submittal by the IOU program administrators. In particular, interested parties should carefully review and compare the requirements outlined in each of these documents, and comment on the type of data (and level of detail) to be reported, and how frequently (monthly, quarterly, annually), across the various categories discussed in these documents. In doing so, parties should *first* identify the list of evaluation/monitoring "questions" that should be addressed by reporting requirements, and then identify what data is required to answer each question, how frequently, and why.

The comments should present specific reporting tables (or lists of data) that reflect the answers to these questions. Parties should clearly distinguish between what data needs to be collected by the program administrators (and in what format) for *access* by the Commission (via audit, data requests, or other means on a periodic basis, as needed), and what data needs to be submitted on a monthly, quarterly or annual, standardized basis as part of the reporting requirements. I encourage the IOUs to work with their program advisory groups in developing this framework, and to carefully review the evaluation reporting protocols developed by Energy Division's consultant as they consider these issues. In addition, in responding to Energy Division's proposed reporting requirements, the IOU program administrators should describe the level of effort and expected process that would be required to prepare the cost reports and the measure installation reports required under that proposal.

It is clear from the December 2 submittal by the IOU program administrators, as well as from the post-workshop comments submitted to staff by other workshop participants, that there are fundamental disagreements over these reporting requirements issues. The process for addressing them

anticipated by the Commission last April, when it established Rule X.2, may not be the most effective way to resolve these differences.⁶ Therefore, per the authority delegated to me by Rule XI, I am soliciting further comment on how remaining disputes over the reporting requirements for the 2006-2008 program cycle should be resolved following the receipt of written comments on the proposals referenced above.

In particular, interested parties should indicate in their comments whether they recommend (1) that further workshops be held by Energy Division, ALJ Gottstein, or by the IOUs with their program advisory groups, (2) whether the Commission, Assigned Commissioner, ALJ or Energy Division should resolve remaining disputes, or (3) other/additional procedural steps that might be taken, as appropriate. I direct ALJ Gottstein, after considering these recommendations, to issue a ruling establishing the next steps to finalizing the reporting requirements for PY2006 and beyond and, as appropriate, to modify Rule X.2 to reflect those determinations.

IT IS RULED that:

1. Concurrent comments on reporting requirements are due by December 30, 2005, and shall address the documents and issues directed herein.
2. Comments shall be served on the service list in this proceeding and in Application (A.) 05-06-004 et al. They are to be served pursuant to the Electronic Service Protocols attached to the Assigned Commissioner's Ruling dated December 22, 2003 in this proceeding, and consistent with the Commission's

⁶ Among other things, Rule IX states that the Assigned Commissioner or assigned ALJ may "utilize both formal and informal procedural vehicles as needed to (1) revise the Rules and/or any of its referenced documents, in whole or in part, at any time, upon request by interested parties or on its own initiative..."

Rules of Practice and Procedure 2.3 and 2.3.1. The December 22, 2003 ruling can be viewed at the Commission's website (www.cpuc.ca.gov.)

3. As discussed in this ruling, pursuant to the authority established in Rule XI of the Policy Rules, I am soliciting written comments on the process for finalizing the reporting requirements for the 2006-2008 program cycle. After considering parties' comments, Administrative Law Judge (ALJ) Gottstein shall issue a ruling establishing the next steps to finalizing those reporting requirements and, as appropriate, modifying Rule X.2 to reflect those determinations.

4. For good cause, ALJ Gottstein may modify the due dates for comments established by this ruling, or establish alternate or additional procedures to obtain further public input on reporting requirements, as she deems appropriate.

5. This ruling shall be served electronically on the service list in this proceeding and in Application (A.) 05-06-004 et al. consistent with the Commission's Rules of Practice and Procedure 2.3 and 2.3.1.

Dated December 6, 2005, at San Francisco, California.

/s/ SUSAN P. KENNEDY

Susan P. Kennedy
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail this day the original attached Assigned Commissioner's Ruling Soliciting Comments on Reporting Requirements on all parties of record in this proceeding and in Application 05-06-004 et al., or their attorneys of record.

Dated December 6, 2005, at San Francisco, California.

/s/ JANET V. ALVIAR

Janet V. Alviar

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.